

1630.01 Bidders and Contractors - Certificates

Issued October 4, 1993

SUBJECT: Bidders and Contractors - Certificates.

APPLICATION: Executive Branch Departments and Sub-units.

PURPOSE: To ensure equal employment opportunity compliance in contracts with the State of Michigan.

CONTACT AGENCY: Department of Civil Rights - Contractual and Business Services Division.

TELEPHONE: 313/456-3822

FAX: 313/456-3826

SUMMARY: The Contract Compliance program reviews equal employment opportunity practices of all contractors, vendors, subcontractors and suppliers doing business with the State of Michigan and/or who propose to do business with the State.

The equal employment opportunity standard for each contractor is reasonable representation of minorities and women at all levels of the contractor's work force, as determined by comparison with the approximate percentage of minorities and women among the available pool.

It is the responsibility of the contractor to apply for a certificate of awardability from the Contractual and Business Services Division. It is the responsibility of Executive Branch Departments and Sub-units to award contracts to contractors who have been certified as awardable by the Department of Civil Rights, Contractual and Business Services Division.

Public Act 258 of 1992 amended the Elliott-Larsen Civil Rights Act to provide that the Department of Civil Rights shall monitor equal employment opportunity in the awarding and execution of contracts to which the state, political subdivision or agencies of the state are parties.

Public Act 258 of 1992 also provides that the Department of Civil Rights may charge a contractor a fee to defray the costs of the monitoring program. That fee is set statutorily at 1/20 of one percent, or .0005 of the contract amount, and only applies to contracts of \$100,000 or more.

Executive Branch Departments and Sub-units should be aware that several agencies require specific types of reviews:

(1) The Department of Management and Budget (DMB) - Facilities memorandum provides for a precertification review to determine the awardability of bidders on construction contracts in the amount of \$100,000 or more. The DMB will accept and evaluate only those bids which are accompanied by a valid Certificate of Compliance or Awardability issued by the Department of Civil Rights.

(2) The Michigan Department of Transportation (MDOT) memorandum provides for a pre-qualification review to determine the eligibility of bidders on highway and transportation construction contracts.

(3) Administrative Board resolutions of 1967 and 1968 as amended, and the DMB Purchasing Memorandum, require pre-award reviews of all contractors and bidders.

Thirty to 60 days' notice is required for processing a Certificate of Awardability. The Department of Civil Rights will notify the contracting agency and/or the State Administrative Board whether the employer is in compliance, is awardable, or is not awardable.

APPLICABLE FORMS: Directive to State Contractors and Bidders.

PROCEDURES: Contact agency.

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